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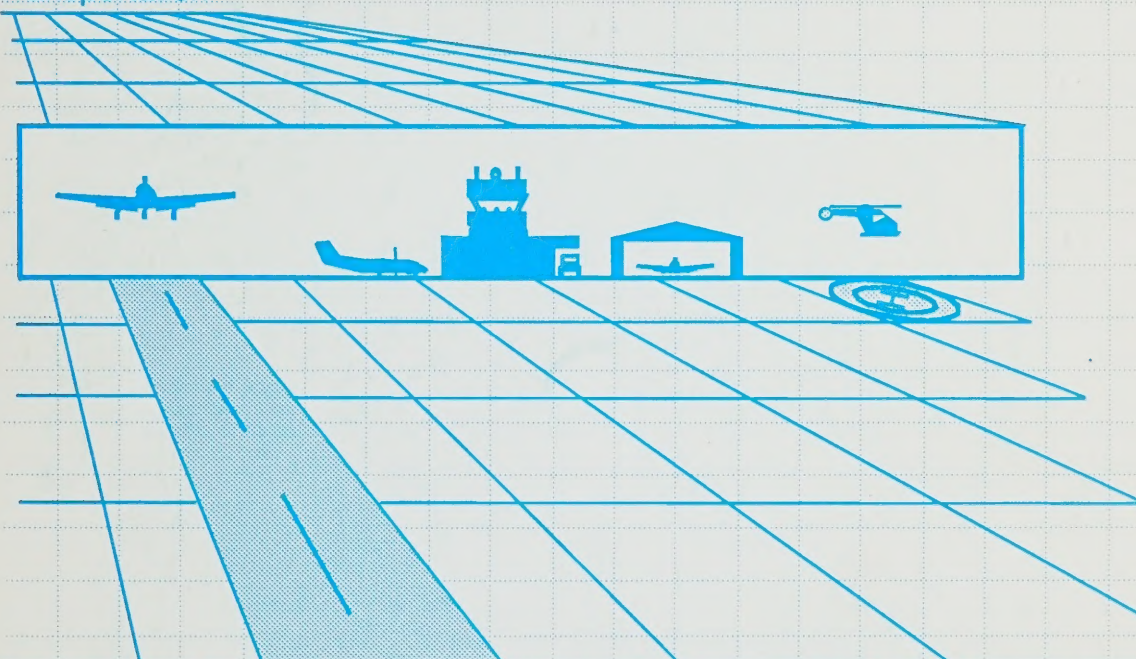


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Ontario

Ministry
of
Transportation



MUNICIPAL AIRPORTS PROGRAM POLICY AND PROCEDURES MANUAL

AVIATION OFFICE



PROVINCIAL TRANSPORTATION DIVISION






MUNICIPAL AIRPORTS PROGRAM POLICY AND PROCEDURES MANUAL

APRIL 1988

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FOREWORD

The provincial Municipal Airports Program, administered by the Aviation Office of the Ministry of Transportation Ontario, provides advice and assistance in the planning, design, construction, operation and maintenance of airports owned and operated by municipalities throughout the Province. Financial assistance is provided through the **Development Subsidy Program** and the **Operations and Maintenance Subsidy Program**.

The purpose of this Manual is to describe the policy and procedures related to the administration and implementation of the Municipal Airports Program. The Development Subsidy and the Operations and Maintenance Subsidy Programs will be discussed in detail along with policy and procedures pertinent to other aspects of the Municipal Airports Program. Included in the Manual are samples of the forms to be filled out and guidelines for their completion.

The Manual will be updated periodically to keep all information current. Any questions or inquiries regarding this Manual should be directed to the Aviation Office using the address shown in Section 1.1. All forms and additional copies of the Manual are available from the Aviation Office.

1.0 THE MINISTRY'S ROLE

THE MINISTRY'S ROLE

The Ministry's primary role is to provide for the development of the national curriculum, to ensure that the curriculum is of high quality, and to ensure that the curriculum is relevant to the needs of the country.

The Ministry is also responsible for the development of the national curriculum, to ensure that the curriculum is of high quality, and to ensure that the curriculum is relevant to the needs of the country. The Ministry is also responsible for the development of the national curriculum, to ensure that the curriculum is of high quality, and to ensure that the curriculum is relevant to the needs of the country.

Curriculum Office

The Curriculum Office is responsible for the development of the national curriculum, to ensure that the curriculum is of high quality, and to ensure that the curriculum is relevant to the needs of the country. The Office's primary role is to:

- 1. Develop a framework of principles, guidelines, and standards for the curriculum.
- 2. Develop and review the curriculum framework, to ensure that it is of high quality, and to ensure that it is relevant to the needs of the country.
- 3. Develop and review the curriculum framework, to ensure that it is of high quality, and to ensure that it is relevant to the needs of the country.
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Telephone: 201 215-4500

1.0 THE MINISTRY'S ROLE

Approved by the Ministry of Education, and the Ministry of Health, and the Ministry of the Environment.

1.0 THE MINISTRY'S ROLE

The Ministry's Aviation Office is responsible for the overall administration of the Municipal Airports Program. Some of the activities involved are carried out by the 18 District Offices.

Depending on the area of concern for a municipality or airport authority, communications and contacts may be through either the Aviation Office or the appropriate District Office. To give some indication of the areas of responsibility assigned to the Aviation Office and the District Offices, a summary of primary activities for each is provided below.

1.1 Aviation Office

The Aviation Office is responsible for the overall administration of the Development Subsidy Program and the Operation and Maintenance Subsidy Program. The Office's primary activities are to:

- liaise with external agencies/organizations with respect to policy matters related to airports/aviation.
- consider each request from airport authorities* for subsidy and determine eligibility and extent of subsidy.
- provide technical assistance to airport authorities at the various stages of airport development, and on operation and maintenance matters.
- develop policies and procedures pertinent to the Development and the Operations and Maintenance Subsidy Programs.
- formulate long range and annual plans for airport development based on municipal input.
- administer the Operations and Maintenance Subsidy Program.

The mailing address is:

Aviation Office
Ministry of Transportation Ontario
2nd Floor, West Tower
1201 Wilson Avenue
Downsview, Ontario
M3M 1J8

Telephone: (416) 235-4049

* Airport authority means either a municipality, township or airport commission.

1.2 District Offices

The Districts' involvement in the administration of the Municipal Airports Program is primarily with the Development Subsidy Program. Their involvement in the Operations and Maintenance Subsidy Program includes the provision of technical advice and assistance on such matters, if so required.

The Districts' primary activities pertaining to the Development Subsidy Program are to:

- provide technical advice and assistance to municipalities on design and construction and on airport operations and maintenance matters such as equipment and winter maintenance operations.
- for major development projects, attend technical reviews and approve contract documents prior to tender.
- ensure that development work is carried out in accordance with plans and specifications.
- receive requests from municipalities for subsidy payment on development projects and approve payments in accordance with the Ministry's subsidy commitment.

A list of mailing addresses and telephone numbers for the Ministry's 18 Districts is included as Appendix I.

2.0 APPLICATION FOR AIRPORT SUBSIDY

2.0 APPLICATION FOR AIRPORT SUBSIDY

2.1 Eligibility

To be eligible for assistance under the Program the municipality must be able to demonstrate the benefits to be realized through airport development. In general, a municipal airport must satisfy the air transportation needs of a region or locality and promote the area's economic and social growth.

2.2 Process

A request by a municipality to be added to the Program and thus be eligible for financial assistance must be in the form of a resolution or a by-law passed by Council.

Prior to approval for subsidy under the Program, a Municipal Airport Subsidy Agreement between the Ministry and the Municipality must be completed. The agreement prepared by the Aviation Office outlines the obligations of all parties involved and the terms and conditions under which transfer payments will be made. A sample agreement is included as Appendix 2.

3.0 DEVELOPMENT SUBSIDY PROGRAM POLICY

3.0 DEVELOPMENT SUBSIDY PROGRAM POLICY

The Development Subsidy Program is intended to facilitate development of the Province-wide municipal airport system by providing financial assistance to municipalities for the implementation of airport related facilities.

3.1 General Policy

The Development Subsidy Program is based on the principle of cost sharing with municipalities. The municipalities are directly responsible for the planning, design, construction and subsequent operation and maintenance of the airports. Because the initial costs of developing an airport facility are substantial, basic items are subsidized at a higher rate in order to facilitate start-up. Additional infrastructure items which are in addition to the basic facility (eg. runway extension beyond the basic 1070 m) are subsidized at a lower rate.

Substantial subsidies will not be approved until an airport master plan indicating the short and long range requirements has been developed and zoning controls over surrounding lands have been established to the greatest extent possible.

3.2 Third Party Contributions to Airport Development

While the municipality's share of the cost of a project subsidized under this program is normally from the general revenues of the municipality, contributions from other provincial agencies, local industry and/or other private parties may be used to offset all or a portion of the municipal share. Any contribution from Federal Government agencies will be deducted from the total project cost prior to calculation of the Ministry subsidy allocation. Under special circumstances, other financial arrangements may be considered by the Minister.

3.3 Projects and Expenditure Items Eligible for Development Subsidy

A list of projects and expenditure items eligible under the Development Subsidy Program and the corresponding subsidy rates along with any relevant guidelines or conditions of subsidy follow. The projects and expenditure items are grouped as follows:

- 3.3.1 Planning and Design
- 3.3.2 Construction and Reconstruction
- 3.3.3 Ancillary Installations
- 3.3.4 Capital Maintenance
- 3.3.5 Land
- 3.3.6 Other Miscellaneous Items

3.3.1 Planning and Design

<u>Eligible Projects and Expenditure Items</u>	<u>Rate of Subsidy (%)</u>
o Studies to Determine Air Travel Potential to and from the Community	80
o Site Identification and Evaluation	80
o Master Plan Studies	80
o Airport Management Studies	80
o Marketing Studies	80
o Pavement Evaluation Studies	80/50*
o Design	80/50*
o Land Use and Obstruction Zoning of Surrounding Lands:	
- Preparation of height limitations plan	80
- Preparation of Noise Exposure Forecasts (NEF) contours (as input to Transport Canada produced contours).	80

(Terms of reference for most of the studies are available from the Aviation Office.)

*** Note:** The rate of subsidy is dependent upon the applicable rate for the area affected (eg. main runway, secondary runway).

3.3.2 Construction and Reconstruction

<u>Eligible Projects and Expenditure Items</u>		<u>Rate of Subsidy (%)</u>
o	Runway	
	(a) Main runway to a maximum of 1070 m (3500 ft.)	80
	(b) Main runway over 1070 m (3500 ft.)	50
	(c) Secondary runway	50
	Subsidy for runways is limited to those with non-precision instrument approach standards.	
o	Aircraft Parking Apron	
	(a) Terminal to a maximum of 7500 m ² (80,000 sq.ft.)	80
	(b) Terminal over 7500 m ² (80,000 sq. ft.)	50
	(c) Tie - down areas	50
o	Taxiways	
	(a) Terminal apron to runway	80
	(b) Parallel	50
	(c) To general aviation lease area	50
o	Access Roads/Car Park	
	(a) Road entrance to terminal	80
	(b) Roads to general aviation area	50
	(c) Airport service roads	50
	(d) Public car park areas	
	- terminal	80
	- other	50
o	Terminal Building	
	(a) Public waiting room; administration office and one lease office; public washroom; storage, janitorial, utilities room; common - use ticket counter; waiting room and administration office furnishings.	80
	(b) Boardroom; other lease areas; baggage room; etc.	50
o	Maintenance Garage	
	(a) Vehicle area to a maximum of 150 m ² (1600 sq.ft.)	80
	(b) Vehicle area over 150 m ² (1600 sq. ft.)	50
	(c) Office; lunch room; showers	50

3.3.3 Ancillary Installations

<u>Eligible Projects and Expenditure Items</u>		<u>Rate of Subsidy (%)</u>
o	Lighting	
	(a) Medium Intensity Edge Lighting	80/50*
	(b) Lighted Windcone	80
	(c) Rotating Beacon	80
	(d) Terminal Area Flood Lighting	80
	(e) Runway Identification Lighting	80/50*
	(f) Precision Approach Path Indicator (PAPI)	
	- abbreviated and full	80
	(g) Low and Medium Intensity Approach lights	50
	(h) Aircraft Radio Control of Aerodrome Lighting (ARCAL)	80
	(i) Roadway Lighting	80/50*
o	Aviation Fuel Installations (for aviation gasoline and jet fuel)	
	(a) Tanks	80
	(b) Dispensing Equipment	80
o	Services Installation (Power, Telephone, Water and Sewer)	
	(a) To terminal area and garage	80
	(b) To general aviation area	50
o	Voice Communication Equipment	
	(a) UNICOM radio	80
	(b) Mobile radio	50
o	Meteorological Equipment	80
o	Fence Installation	
	(a) Boundary	80/50*
	(b) Terminal areas	80

3.3.4 Capital Maintenance Projects

Maintenance type projects with values greater than \$1,000 and which do not recur annually are eligible for subsidy under the development subsidy program. Typical projects include: crack sealing, drainage, shouldering, pavement markings and building improvements.

80/50*

***Note:** The rate of subsidy is dependent upon the applicable rate for the area affected (eg. main runway, secondary runway).

3.3.5 Land

<u>Eligible Projects and Expenditure Items</u>		<u>Rate of Subsidy (%)</u>
o	Land for:	
	(a) Main runway to a maximum length of 1500 m(5000 ft.)	80
	(b) Secondary runways	50
	(c) Terminal area and access road	80

Airport lands include all lands controlled by either title, lease or easement for airport purposes. As a minimum, land requirements for airport purposes should consist of all land on which a 9 m (30 ft.) high object would violate existing Transport Canada zoning requirements as per Standard TP 312E. Land required in order that existing obstacles can be removed may also be eligible for subsidy.

Airport land items eligible for subsidy include: purchase cost of title; lease or easements; property option costs; appraisal fees; survey costs; routine legal costs. In complex situations, subsidy approval for negotiation costs and/or costs to acquire land by other than negotiation, will require approval by the Manager, Aviation Office. Improvements to airport lands, including clearing, grading and drainage work are eligible for subsidy.

The value of property should be determined as follows:

- (a) Value to a maximum of \$25,000 - a letter of opinion from a knowledgeable source, e.g., real estate agent.
- (b) Value greater than \$25,000 to a maximum of \$100,000 - minimum of one appraisal.
- (c) Value greater than \$100,000 - two independent appraisals.

A copy of the Ministry's Fee Appraisers Handbook and a list of qualified appraisers is available, as a reference, from the Aviation Office.

As a condition of subsidy the disposal of airport land must be approved by the Ministry. The disposal of airport land will not normally be permitted unless such land is designated as surplus to the needs of the airport.

Revenue from the sale of airport lands will be shared with the Ministry at the same rate of subsidy as applied at the time of the land purchase. Rental income from land must be included as revenue under the Operations and Maintenance Subsidy Program.

3.3.6 Other Miscellaneous Items

<u>Eligible Projects and Expenditure Items</u>	<u>Rate of Subsidy (%)</u>
o Airport Entrance Signs	80
o Lease Lot Development	
- Rough grading (to bottom of granular base)	50
o Computer Equipment Used for Administration Purposes	50
o Electrical Outlets for Aircraft/Vehicle Heater Plug-In	50
o Base Facilities or Changeover Facilities for Float Equipment Aircraft	50

Note: Additional items related to airport development will be considered on a case by case basis.

3.4 Projects and Expenditure Items Not Eligible for Development Subsidy

The projects and expenditure items which are not eligible for subsidy under the development subsidy program include:

- o Study to identify the airport role and document the local benefits or needs.
- o High intensity runway or approach lights.
- o Construction or reconstruction of non-public aircraft parking apron, taxiways and roads.
- o Furnishings for other than the public waiting room and administration office.
- o Furnishings, hand tools, and portable equipment for the maintenance garage.
- o Mobile equipment such as trucks, snowplows, etc. (rental rate applies).
- o Hangar buildings.
- o Fencing of private use areas.
- o Implementation of zoning by-laws including Ontario Municipal Board and public hearings.
- o Radio aids to navigation.

4.0 ADMINISTRATIVE PROCEDURES FOR DEVELOPMENT SUBSIDY

4.0 ADMINISTRATIVE PROCEDURES FOR DEVELOPMENT SUBSIDY

This section of the manual describes the administrative procedures in place for the Development Subsidy Program and provides examples of the forms to be used along with guidelines for completion.

A summary of the key activities associated with development subsidy follows on page 11.

DEVELOPMENT SUBSIDY PROGRAM

SUMMARY OF KEY ADMINISTRATIVE ACTIVITIES

KEY ACTIVITIES	BY WHOM	TIMING
1. Five Year Forecast	Airport Authority	Annually prior to November 30th
2. Request for Project Subsidy	Airport Authority	Prior to November 30th for those major projects for which subsidy is required in the following year
3. Minister's Letter of Approval of Project Subsidy	Aviation Office	Upon receipt of eligibility assessment of request for project subsidy
4. Project Funding - Establish project account	District Office	Upon receipt of a copy of the Minister's letter
5. Request for Payment of Subsidy	Airport Authority	As the work progresses or after the work is completed. Final requests should be submitted by February 1st and must be received no later than March 31st in Ministry fiscal year of the approved funding
6. Approval of Payment of Subsidy	District Office	Upon receipt of request for payment

4.1 **Five-Year Forecast of Expenditures**

In planning for future requirements for municipal airport development, it is necessary to have input from airport authorities on their development plans. The airport authorities which are eligible for subsidy are required to complete Form AP-01, Municipal Airport Development Subsidy Program - Five Year Plan, annually and forward to the Aviation Office prior to November 30th. The estimates for the first year should be as accurate as possible. Estimates for the succeeding years may be less accurate if design work has not been completed. Yearly amounts are to reflect the Ministry's fiscal year (April 1 to March 31). An illustration of the form and guidelines for completion follow on pages 13 and 14. (The form consists of 4 pages; only 1 one of the 4 pages is illustrated.)

Funding of the proposed work will depend on the need for the development or improvement project, the number of requests received from other airport authorities and the funds available.

Form AP-01	- Five Year Plan
Purpose	- To provide an estimate of proposed airport development expenditures over the next 5 years.
Prepared By	- The Clerk of the Municipality, Secretary of the Airport Commission, or other authorized official.
How Often	- Once per year, to be received by the Aviation Office by November 30th.
Preparation Guide	<ul style="list-style-type: none"> - Estimated costs for each of the five years should be in the current year's dollars. - In preparing the plan it is important that the estimates for the first year be as accurate as possible. It is recognized that the estimates for the succeeding four years may be less accurate particularly if the design work has not be completed. - Yearly amounts are to reflect the Ministry's fiscal year (April 1st to March 31st).

MUNICIPAL AIRPORT DEVELOPMENT SUBSIDY PROGRAM - FIVE YEAR PLAN 19 -19

Airport Name _____		Estimated Project Cost and Schedule										Date _____	
Projects Eligible for MTD Subsidy		Subsidy Rate	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5		Remarks
		= 2 of P.Cost	Project Cost \$	Activity Code	Project Cost \$	Activity Code	Project Cost \$	Activity Code	Project Cost \$	Activity Code	Project Cost \$	Activity Code	
1. Airport Planning and Design Activities:													
1.1	Site Identification/Evaluation	80											
1.2	Master Planning Studies	80											
1.3	Marketing Studies	80											
1.4	Airport Management Studies	80											
1.5 Pavement Evaluation Study													
1.6	Air Travel Potential Study	80											
1.7	Preparation of Height Limitation Plan and Draft Zoning By-Law	80											
1.8	Preparation of N.E.F. Contours	80											
1.9	Others (Please Specify)	TBD											
2. Runway:													
2.1	Main Runway up to 3500'	80											
2.1 a.	Existing Runway	80											
2.2 Main Runway over 3500'													
2.2 a.	New Construction	50											
2.2 b.	Existing Runway	50											
2.3 Secondary Runway													
2.3 a.	New Construction	50											
2.3 b	Existing Runway	50											
3. Aircraft Parking Apron:													
3.1	Terminal up to 80,000 sq.ft	80											
3.2	Terminal over 80,000 sq.ft	50											
3.3	Tie-down Area	50											
3.4	Others (Please Specify)	TBD											

4.2 Request for Project Subsidy

Requests for project subsidy must be forwarded by the airport authority to the Aviation Office and should include:

- a description of the project and the need for it;
- the project's scheduled start, completion date(s) and phasing;
- an estimate of the cost.

For some projects additional information may be required. If so, the Aviation Office will advise.

The request may be in the form of a letter, resolution or by-law depending on the complexity of the project.

Requests for project subsidy may be presented to the Aviation Office at any time. However, it is important that requests be received well in advance of the planned implementation date so that the relative priorities of projects can be assessed and Ministry funds committed accordingly. Requests for all major projects should be received by the Aviation Office by November 30th where subsidy is requested in the following year.

4.3 Project Approval

The Aviation Office assesses the eligibility of each request and determines the level of funding. The Minister approves the subsidy by letter. The subsidy request must be approved before the project is initiated.

4.4 Project Funding

Upon receipt of a copy of the Minister's signed letter to the airport authority approving subsidy, the appropriate District Office will forward a D4 (Form PH-CC-769) to the Aviation Office requesting funding and an allotment for the current year at the level of subsidy approved in the letter.

4.5 Subsidy Adjustments

Subsidy approval is based on estimates. If it becomes apparent that actual costs are likely to exceed the estimate, the Aviation Office should be so advised in order to determine if the scope of the work should be altered or if it is possible to recommend that additional subsidy be provided. Formal approval of a revised subsidy would be in the form of a letter from the Minister.

4.6 Subsidy Payments

Requests by the airport authority for subsidy payments as the project progresses or after the work is completed may be forwarded to the District Office with supporting documentation (e.g., copies of payment vouchers or certificates) as required by the District. The request must be accompanied by completed Form AIR-CC-18, Request for Payment. An illustration of the form and guidelines for completion follow on pages 17 and 18.

The District (Municipal) Engineer approves payments towards the cost of the work paid for by the airport authority in accordance with the Ministry's subsidy commitment. Expenditures submitted must have actually been paid by the municipality prior to submission for subsidy.

When the request for payment has been processed, the District Office will forward a copy of the completed Form AIR-CC-18 to the Aviation Office for overall monitoring purposes. Copies of invoices submitted are to be sent by the District to the Ontario Municipal Audit Bureau.

Final requests for payment should be forwarded to the District Office by February 1st in the fiscal year of the approved funding, and must be received no later than March 31st. The only exception to this will be designated carryover projects as identified by the Aviation Office.

Note: The elapsed time between receipt by the District of the request for payment and receipt by the airport authority of the cheque is normally 3-4 weeks.

Form AIR-CC-18	- The Municipal Airport Construction Subsidy Program Request for Payment
Purpose	- To request subsidy payment and to provide expenditures data on project(s) in progress.
Prepared By	- The Clerk of the Municipality, the Secretary of the Airport Commission or other authorized official.
How Often	- To be submitted of the District Office each time a request for payment of subsidy is made. When payment has been processed the District Office will forward a copy of the completed form to the Aviation Office.
Preparation Guide	- The guidelines for completion are included on the form.

4.7 **Record of Expenditures**

The airport authority must ensure adequate records are maintained to support any expenditures being subsidized. All such records must be made available upon request to the Ministry for examination and audit.

Transfer payments for municipal airports are subject to audit by the Province. The scope of these audits include financial and compliance audits. The auditors, in the performance of their responsibilities, shall have access to all records and documents associated with subsidy for airport development and operations and maintenance.

With the exception of Airport Commissions, audits for airport subsidy are done in conjunction with the Municipal Roads audits. The current audit cycle, with the exception of Airport Commissions, is as follows:

- | | |
|---|-------------|
| a) subsidy level up to \$50,000.00 | - Triennial |
| b) subsidy level \$50,000.00 to \$350,00.00 | - Biennial |
| c) subsidy level over \$350,000.00 | - Annual |

Each year, a minimum of 33 1/3% of category (a), 50% of category (b) and 100% category (c) will be audited. The Airport Commissions will be audited annually.

5 . 0 IMPLEMENTATION OF DEVELOPMENT PROJECTS

5.0 **IMPLEMENTATION OF DEVELOPMENT PROJECTS**

While the airport authority is directly responsible for the execution of development projects, there are associated Ministry requirements. This section of the Manual describes these requirements and recommended procedures.

5.1 **Airport Master Plan**

As a condition of subsidy the airport authority will forward to the Aviation Office an airport master plan that describes the location of all proposed buildings, runways, taxiways, aircraft parking apron, roads, and car parks and related works and structures on airport land. Once approved, the Master Plan will be the governing document that guides development and the airport authority is expected to adhere to the plan unless otherwise discussed with and approved by the Aviation Office.

5.2 **Purchases by Airport Authorities of Items Eligible for Subsidy**

The dollar value of items eligible for subsidy varies considerably. The administrative approvals required and the recommended procedures for the purchase of those items with a high dollar value differ from those with a low dollar value. Thus, the requirements and recommended procedures are defined according to the following categories:

- (i) **Total estimated cost of \$100,000 or less**
- (ii) **Total estimated cost greater than \$100,000**

A description of the required administrative approvals and the recommended procedures follows:

(i) **Total estimated cost of \$100,000 or Less**

Approvals

For items of value \$100,000 or less, prior to the work being done and purchases made, the airport authority is required to forward sufficient documentation outlining the methodology (i.e. contract or day labour), design and specifications for the proposed work to the District Office (and a copy to the Aviation Office for aviation technical purposes). The District Office will review the documentation, notify the airport authority in writing of receipt of the documentation and confirm that all work as proposed is within the scope of the funding approval.

No further administrative approvals are required provided that the airport authority accepts the lowest tender, uses adequate but non-restrictive specifications, and has proceeded with:

- a) a tender that has been conspicuously advertised in newspapers or appropriate circulation for the approval purchase
- or
- b) an invitation to specific suppliers to submit tenders where the value of the proposed purchase is estimated to be \$25,000 or less, or within such amount as the airport authority has otherwise specified in its purchasing and tendering policy for invitation bids.

No formal administrative approval is required for the purchase of material, equipment or work of \$5,000 or less in value.

Tendering Procedures

It is expected that projects will be tendered in accordance with the procedures established in the Municipal Tendering Procedures booklet. The booklet, a Ministry publication, was prepared in consultation with municipal representatives. Its content includes the following:

- o description of the tendering process
- o provision of step-by-step procedures for municipal administration of the tendering process
- o inclusion of specimen forms used by municipalities during the tendering phase and some data on the qualification procedures of the Ministry.

As stated in the booklet, the booklet is intended for use in its entirety and discretion must be exercised by designated airport authority officials if partial use of, or modifications to, these procedures are proposed.

A copy of the booklet is available from:

Administrative Services Office
Ministry of Transportation Ontario
East Building, 1201 Wilson Avenue
Downsview, Ontario
M3M 1J8

Telephone: (416) 235-4340

(ii) Total Estimated Cost Greater than \$100,000

Prior to Tendering

For work of value \$100,000 and greater, the Ministry, prior to tendering, normally requires a technical review of the plans and documents (including design drawings). Some contracts do not require a technical review since their contractual arrangements are relatively straightforward.

Generally the technical review is arranged by the airport authority and is attended by representatives from the airport authority, District Municipal Office, Aviation Office and consultant (where applicable). Others may be invited to attend for their expertise in specific areas.

A complete set of plans and documents, amended if so determined at the meeting, are to be forwarded to the District (Municipal) Engineer for approval. The District will then forward the approved copies to the airport authority.

Tendering Procedures

The tendering procedures as previously described also apply to projects greater than \$100,000.

Review of Tenders

Tender openings will normally be attended by a representative of the District Office.

For review purposes, the District will require a summary of the list of contractors with total tender prices for each, and the quantities and unit price for the low bidder.

Tender Approval

When the District is advised by the airport authority as to the successful tender, approval will be issued by the District if:

- a) the plans and documents have been approved
- b) the contract was appropriately advertised
- c) the lowest tender was accepted
- d) the District is satisfied that contract prices are reasonable.

If any of the above criteria are not met, the matter will be submitted to the Aviation Office for review. Depending on the complexity of the project or other matters, the District Office, in consultation with the Aviation Office, may request the advice of other Ministry offices (e.g., Geotechnical, Estimating & Engineering Claims, Contract Verification, etc.)

5.3 Monitoring Construction Projects

Ministry staff may make periodic inspections to ensure the work is being carried out in accordance with the contract plans and specifications.

5.4 Professional Services

The purchase of professional services (for such work as planning and design, etc.) is not subject to tendering requirements. However, proposals should normally be obtained from at least 3 firms if the value of work is likely to exceed \$10,000.

Reference should be made to the "Municipal Airport Development Information Booklet" for additional guidance.

5.5 Land Acquisition

Procedural requirements differ for land acquisition – reference Section 3.3.5.

6.0 OPERATIONS AND MAINTENANCE SUBSIDY PROGRAM POLICY

6.0 OPERATIONS AND MAINTENANCE SUBSIDY PROGRAM POLICY

The purpose of the airport operation and maintenance subsidy is to provide financial assistance to ensure a standard of airport maintenance which not only meets the minimum standards required by Transport Canada for certification purposes, but which is also consistent with the level of service normally expected by the community or the region it serves.

6.1 General Policy

The subsidy for airport operations and maintenance covers a portion of the annual deficit (i.e., the difference between operating costs and revenues) incurred by the airport authority in its operation of the airport. On this basis, it is expected that airport authorities will not only strive for an efficient airport operation but will take maximum advantage of the sources of revenue available to them as operators of the airport.

Subsidy limits for operations and maintenance depend on the nature and/or magnitude of the air traffic experienced at a particular airport in accordance with the applicable criteria as defined below:

- (i) For airports with scheduled passenger service operating on a minimum frequency of three days per week, or other airports with annual traffic movements in excess of 20,000, the subsidy is calculated at the rate of 50% of the actual annual deficit up to a maximum subsidy of \$40,000.00.
- (ii) The subsidy for all other airports which qualify for assistance is calculated at the same rate, 50% of the actual annual deficit up to a maximum subsidy of \$12,500.00.

All airports whose maintenance costs are subsidized by the Ministry are expected to make a reasonable effort to record aircraft movements and to make that record available to the Ministry.

6.2 Expenditure Items Eligible for Operations and Maintenance Subsidy

Items eligible for subsidy calculation under the operations and maintenance subsidy program are summarized below.

- (a) salaries and benefits for airport and support staff employed to maintain and operate the airport. Included are salaries and benefits for:
 - o field maintenance of public aircraft operating areas, access road, car park, terminal and garage areas. Typical activities include: pavement repair; pavement markings and markers; snow removal; grading and rolling; seeding, fertilizing and mowing; drainage facilities; clearing; maintenance of fencing; signs; lighting; windcones, etc.
 - o operation and maintenance of the terminal building and the maintenance garage, including landscaping, painting and decorating, cleaning, etc.
 - o maintenance of visual aids to navigation, e.g., runway lighting.
 - o other operation and maintenance activities including aviation fuel handling (if applicable), issuing of NOTAMs, recording aircraft movements, etc.
 - (b) mobile equipment costs for airport operation and maintenance. For subsidy purposes, the costs are based on the number of working hours for each unit of equipment for which subsidy is claimed and the hourly charges allowed as defined in the following Ministry rental rate schedules:
 - o MRA-135, Schedule of Municipal Rental Rates, which applies to municipality - owned equipment. **The rental rates include all costs associated with equipment - depreciation, operation and maintenance and fuel costs.**
- Copies of the schedule are available from:

Ministry of Transportation Ontario
Central Stores
West Building, Room 101
1201 Wilson Avenue
Downsview, Ontario
M3M 1J8

Telephone No.: 235-3477

- o Specification OPSS-127, Schedule of Rental Rates for Construction Equipment, which applies to rented equipment, which if rented for extended periods must be arranged for through a tender process. The schedule is contained in the Ontario Provincial Standard Specifications Manual. It is expected that most municipalities will have a copy of the Manual. Additional copies of Spec. OPSS-127 are available from:

Ministry of Transportation Ontario
Contract Preparation and Control Section
2nd Floor, West Building
1201 Wilson Avenue
Downsview, Ontario
M3M 1J8

Telephone No.: 235-3552

- (c) expenditures for materials and supplies associated with airport operation and maintenance.
- (d) utilities costs - heat, hydro, telephone, water and sewer - for the terminal building and the garage.
- (e) expenditures for management and service contracts associated with airport operation and maintenance, including contracts for airport management, snow removal, and purchased repair of airport buildings.
- (f) Other eligible expenditure items include:
 - o insurance (building and liability).
 - o airport licence.
 - o preparation of airport operations manual and as-constructed plans.
 - o purchase of aviation publications for information and reference.
 - o minor construction/maintenance projects (i.e., projects less than \$1,000). These projects are considered as operations and maintenance rather than development subsidy items.
 - o general travelling expenses of airport staff when on normal airport business.
 - o registration fees and travelling expenses of municipal staff to airport conferences or training courses approved by the Ministry.

For a common - use building, in order to determine the expenditure amount to claim for subsidy, the building expenditures are pro-rated on an area basis, with expenditures claimed for only those areas eligible for subsidy.

6.3 Expenditure Items Not Eligible for Operations and Maintenance Subsidy

The expenditure items not eligible for subsidy under the operations and maintenance subsidy program include:

- (a) the cost of maintaining non-public private taxiways, car parks, building areas, etc. If the airport authority decides to undertake these works, all works must be performed on a cost-recovery basis with the costs and revenues recorded separately.
- (b) the cost of maintaining buildings which are not eligible for subsidy under the development subsidy program, eg. hangars. Municipal costs and revenues applicable to such buildings should be recorded separately from those applicable to the terminal and garage buildings.
- (c) the salaries and benefits for staff employed to act as agents for commercial air carriers or others. If performed on a part-time basis in conjunction with airport operations and maintenance functions, then the appropriate charges must be made for subsidy purposes. This is described in more detail on page 36.
- (d) municipal taxes for public use areas or public facilities. (Taxes for private use/lease areas are indirectly eligible as an expense against the particular rental area.)
- (e) Other ineligible expenditure items include:
 - o association membership fees.
 - o interest on loans; reserve funds.
 - o maintenance of radio aids to navigation.
 - o honorariums, council fees and expenses.
 - o direct expenditures associated with equipment. (Allowance has already been made for these costs in the rental rates charges.)

6.4 Revenues

As referenced earlier one principle behind the Ministry's subsidy policy is that expenditures should be offset, as much as is practical and reasonable, by revenues. Potential sources of revenue include:

- i) Airport User Fees
- ii) Lease of land and building space

i) Airport User Fees

Charges which may be assessed directly against aircraft using the airport are landing fees, parking fees and aviation fuel concession fees.

Aircraft Landing and Parking Fees - There is no commonly accepted formula which will establish the appropriate fee schedule for every airport. The Transport Canada fee structure as outlined in their publication Air Service Fees Regulation TP 2590 may be used as a benchmark for airport authorities in deciding on a schedule of fees for their airport. The publication is available from:

Transport Canada
AANDHD
Ottawa, Ontario
K1A 0N8

Fuel Concession Fees - The aviation fuel concession fee applies to all fuel dispensed at the airport. Where the airport authority assumes responsibility for selling the fuel the retail cost of the fuel will normally include the concession fee and the normal margin of profit.

ii) Lease of Land and Building Space

Land and building space may be leased for aviation interests (eg. flying club) and non-aviation interests (eg. agriculture). Rental income derived from airport land and buildings (excluding revenue from municipally - owned hangars or other buildings not subsidized under the development subsidy program) is to be reported as revenue for operations maintenance subsidy purposes.

Leases in excess of 5 years on building and lands which have received development subsidy must be approved by the Ministry.

For more information regarding airport revenues, refer to the Ministry publication Municipal Airports Maintenance, Operation and Management available from the Aviation Office.

7.0 ADMINISTRATIVE PROCEDURES FOR OPERATIONS & MAINTENANCE SUBSIDY

7.0 ADMINISTRATIVE PROCEDURES FOR OPERATIONS AND MAINTENANCE SUBSIDY

This section of the manual describes the administrative procedures in place for the Operations and Maintenance Subsidy Program and provides examples of the forms to be used along with guidelines for their completion.

A summary of the key activities associated with the Program follows on page 31.

OPERATIONS AND MAINTENANCE SUBSIDY PROGRAM

SUMMARY OF KEY ADMINISTRATIVE ACTIVITIES

KEY ACTIVITIES	BY WHOM	TIMING
1. Annual Allotment of Funds to Airport Authority	Aviation Office	March
2. Request for Interim Payments of Subsidy	Airport Authority	1st Request - On or after April 1st 2nd Request - On or after July 1st
3. Approval of Interim Payments	Aviation Office	Upon receipt of request for payment
4. Request for Final Payment	Airport Authority	<u>Should be received by February 1st and must be received no later than March 1st of the following calendar year</u>
5. Approval of Final Payment	Aviation Office	Upon receipt of request for payment

7.1 Annual Allotment

An annual allotment establishes the maximum subsidy amount which may be paid to each airport authority towards deficits experienced during the calendar year. Determination of annual allotments is based on:

- (a) expenditures and revenues experienced in previous years.
- (b) additional information provided by the airport authority including, where appropriate, detailed estimates of expenditures and revenues.
- (c) the maximum entitlement under the policy.

A proposed allotment level for each airport authority which is eligible for subsidy is prepared by the Aviation Office for consideration by the Minister in February of each year. Airport authorities are advised by the Minister in March as to the maximum subsidy payment which has been authorized.

7.2 Interim Payment of Subsidy

On April 1st of each year, the airport authority is entitled to an initial payment of 30% of the allotted amount. Payment will be processed upon receipt by the Aviation Office of completed Form AIR-CC-7, Request for Interim Payment. An illustration of the form and guidelines for completion follow on pages 33 and 34.

A second Request for Payment may be submitted on July 1st for an additional 30% of the allotted amount.

- Form AIR-CC-7 - Request for Interim Payment
- Purpose - To request interim subsidy payments throughout the year.
- Prepared By - The Clerk of the Municipality, the Secretary of the Airport Commission or other authorized official.
- How Often - Twice per year - on April 1st and July 1st.

7.3 **Final Payment of Subsidy**

Final payment is processed upon receipt of Form AIR-CC-8, Request for Final Payment, by the Aviation Office after the end of the calendar year. The Request for Final Payment should be received by the Aviation Office no later than February 1st of the following year and must be received no later than March 1st in order for the municipality to be guaranteed payment of subsidy and to avoid delays in determining allotments for the next year.

An illustration of the forms and the guidelines for completion follow on page 36 and 37. Expenditures for which subsidy is claimed must have been made during the calendar year of the allotment.

Municipal records need not be audited before final payment is requested, as any discrepancies noted in a subsequent audit will be balanced by offsetting adjustments in future payments to the airport authority.

Form AIR-CC-8	- The Municipal Airport Operations and Maintenance Subsidy Program - Request for Final Payment
Purpose	- To request subsidy payment for the calendar year.
Prepared By	- The Clerk of the Municipality, Secretary of the Airport Commission or other authorized official.
How Often	- To be prepared once per year at calendar year end. The Request <u>should</u> be received by the Aviation Office no later than February 1st of the following year and <u>must</u> be received no later than March 1st.
Preparation Guide	<ul style="list-style-type: none"> - Expenditures and Revenues are for the full calendar year regardless of any interim payments that have been made. - The salaries and benefits claimed should be only for municipal staff who operate and maintain the airport and should reflect only those expenditures which are eligible for subsidy. However, there are circumstances where not all of the airport employee's time is spent on subsidizable items. For example, if the airport authority pays the airport employee's full salary and recovers costs for time spent as agent for a carrier, then the full salary may be charged under salaries and benefits <u>provided that</u> the associated revenue is also credited to the Airport Maintenance Account. - If airport operation and maintenance is contracted out, salaries and benefits paid under the contract are to be recorded under Management and Service Contracts. - Under Management and Services Contracts, contracts for purchased repair and maintenance of mobile equipment should not be included as an expenditure. Allowance is already made for these costs in the rental rates charged under Mobile Equipment Costs. - Revenues from municipally owned hangars or other buildings not eligible for subsidy under the development subsidy program should not be included in the revenues figures. - Where applicable, municipal taxes may be included as an expense against revenues collected. (They are not to be included as an expenditure in the expenditures section.)

7.4 **Record of Expenditures and Revenues**

Separate and detailed records must be maintained of all expenditures and revenues (except for those lands and buildings not subsidized under the Development Subsidy Program) together with all supporting documents, invoices and receipts. All such records are to be made available to the Ministry for examination and audit. The scope and frequency of the audits were described earlier in Section 4.7.

An annual summary of expenditures and revenues is to be submitted on the Request for Final Payment. The form is discussed in Section 7.3.

8.0 AIRPORT SIGNING

8.0 AIRPORT SIGNING

8.1 Signs Advising of Provincial Support of Municipal Airports

The Ministry has an established signing policy advising of Provincial support of municipal airports eligible for subsidy. There are two signs advising of support, namely:

- (i) Airport Construction Sign (MA-1)
- (ii) Airport Operation and Maintenance Sign (MA-2)

A description of the policy follows.

(i) Airport Construction Sign (MA-1)

For significant development projects involving expenditures of \$50,000 or more, Airport Construction Sign (MA-1) advising of Ministry financial support will be erected at the Municipal Airport for the duration of the project.

The Airport Construction sign will describe the general type of work underway, e.g., runway improvements or building development. The name of the Municipal Airport will be on a separate board on top of the sign so that the balance of the sign can be reused for other projects.

The sign erection and installation will be undertaken by the Ministry in co-operation with the Airport Authority. (The associated costs are the responsibility of the Ministry.) The sign will normally be erected on the entrance roadway leading to the public terminal building.

A copy of the sign standard follows on page 40.

Wawa Municipal Airport

New Terminal Building Under Construction

Financially Assisted by



Ontario

Ministry of Transportation

Province of Ontario

David Peterson, Premier

Ed Fulton, Minister

MAI

(ii) Airport Operation and Maintenance Sign (MA-2)

An Airport Operation and Maintenance Sign (MA-2) advising of Ministry financial support for the operation and maintenance of the airport will be erected at each Municipal Airport.

The signs will be provided by the Ministry for installation by the Airport Authority or by Ministry personnel under the direction of the Airport Authority.

The installation will normally be inside the terminal building in the public waiting area or on the outside of the terminal building beside the pedestrian entrance door.

A copy of the sign standard for Operation and Maintenance Sign (MA-2) follows on page 42.

**The operation of this Airport
is financially assisted
by the
Province of Ontario**



Ontario

MA2

8.2 Airport Signing on Provincial Highways

The Ministry has an established Airport Signing Policy for airport signing on Provincial Highways. A summary of the policy follows.

Airports are eligible for highway signing provided they meet the criteria set down for either Major, Secondary or Local Airports, as follows;

- a) Major Airports are airports which have at least one runway of 1830 meters (6,000 ft.) or more and which have Class 1 or Class 2 scheduled passenger service with aircraft having a minimum of 60 seats.
- b) Secondary Airports are airports which have a minimum of Class 3 propeller aircraft service or have 1,000 combined "domestic carrier" and "domestic other commercial" annual movements as reported to the Aviation Statistics Centre of Statistics Canada. Note that airports allocated a Secondary Airport sign are expected to report their movements to the Aviation Statistics Centre.
- c) Local Airports are airports which primarily serve the public in a local area and are recognized for their public service by the Aviation Office and are listed in the Canada Flight Supplement.

Private Licensed or Unlicensed airports do not qualify for signing under this policy. For those that already have signing, the signing will be retained.

The aircraft symbols associated with Major, Secondary and Local Airports are as follows:



Major



Secondary



Local

There are a number of sign standards associated with airport signing, e.g., advance sign (named), turn-off sign (named), etc.

The erection of highway signs for Major, Secondary and Local Airports is carried out by the Ministry's Regional Traffic Section. Note: Secondary Airport and Local Airport signing is to be installed only after a written request is made to the District Office by the airport authority for airports meeting the established criteria. The District Office will forward the request to the Head, Regional Traffic Section for approval.

The Ministry will erect and maintain the signs on Provincial Highways. The airport shall be responsible for the manufacture, erection, and maintenance of all signs required for the direction of traffic from a provincial highway to the airport. The airport will erect all off-highway signs prior to the erection of any signs by the Ministry.

The Airport Signing Policy contains other detailed information not referenced above, eg. types of signs, sign sizes, etc. An airport authority requiring more information on airport signing may contact the District Office.

APPENDICES

APPENDIX I

MINISTRY OF TRANSPORTATION DISTRICT OFFICES

District Office	Address	Telephone Number
#1 Chatham	P.O. Box 910 60 Keil Drive Chatham, Ontario N7M 5L3	(519) 354-1400
#2 London	P.O. Box 5338 659 Exeter Road London, Ontario N6A 5N2	(519) 681-1441
#3 Stratford	P.O. Box 8 581 Huron Street Stratford, Ontario N5A 6S8	(519) 271-3550
#4 Burlington	P.O. Box 5020 1182 North Shore Blvd. E. Burlington, Ontario L7R 3Z9	(416) 637-5625
#5 Owen Sound	P.O. Box 520 1450 Seventh Avenue East Owen Sound, Ontario N4K 5R1	(519) 376-7350
#6 Toronto	1st Floor 5000 Yonge Street Willowdale, Ontario M2N 6E9	(416) 224-7483
#7 Port Hope	P.O. Box 150 138 Hope Street North Port Hope, Ontario L1A 3W3	(416) 885-6381
#8 Kingston	Postal Bag 4000 355 Counter Street Kingston, Ontario K7L 5A3	(613) 545-4677
#9 Ottawa	530 Tremblay Road Ottawa, Ontario K1G 0E4	(613) 745-6841

District Office	Address	Telephone Number
#/10 Bancroft	P.O. Box 300 64 Monck Road Bancroft, Ontario K0L 1C0	(613) 332-3220
#/11 Huntsville	207 Main Street West Huntsville, Ontario P0A 1K0	(705) 789-2391
#/13 North Bay	P.O. Box 3030 447 McKeown Avenue North Bay, Ontario P1B 8G2	(705) 472-7900
#/14 New Liskeard	P.O. Box 1390 500 Rockley Road New Liskeard, Ontario P0J 1P0	(705) 647-6761
#/16 Cochrane	P.O. Bag 5000 50 Third Avenue Cochrane, Ontario P0L 1C0	(705) 272-4333
#/17 Sudbury	P.O. Box 7000 Station A Sudbury, Ontario P3A 4S2	(705) 522-9380
#/18 Sault Ste. Marie	P.O. Box 500 160 MacDougall Street Sault Ste. Marie, Ontario P6A 5M6	(705) 256-5682
#/19 Thunder Bay	P.O. Box 1177 Postal Station F 615 South James Street Thunder Bay, Ontario P7C 4X9	(807) 577-6451
#/20 Kenora	P.O. Box 5070 808 Robertson Street Kenora, Ontario P9N 3X9	(807) 468-6494

APPENDIX 2

MUNICIPAL AIRPORT SUBSIDY AGREEMENT

MEMORANDUM OF AGREEMENT made in triplicate this
day of A.D. 19 .

BETWEEN

HER MAJESTY THE QUEEN in right of the
Province of Ontario as represented by
the Minister of Transportation,
hereinafter referred to as the "Minister",

OF THE FIRST PART,

- and -

OF THE SECOND PART.

WHEREAS The Corporation has proposed to develop, improve or
operate a public airport located in the

AND WHEREAS the Corporation may from time to time apply to the
Minister for financial assistance;

AND WHEREAS the Minister may agree to grant such financial
assistance by authority of the Airports Act;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in
consideration of the premises the parties hereto, for themselves and their
respective successors and assigns, hereby mutually agree each with the other as
follows:

- I. That the Corporation shall develop, operate and maintain the airport to
the standard necessary to hold a public licence under the Aeronautics
Act.

2. That the Corporation shall pursue the establishment of such zoning regulations as are required to control the height of structures on and about the airport.
3. That the Corporation shall pursue the establishment of such zoning regulations as are required to control land use on lands surrounding the airport so as to prevent the encroachment of land use activities which are not compatible with the operation of a public airport.
4. That the Corporation shall at all times, retain such rights as title, lease or easement for airport lands and such lands may not be sold without the prior written approval of the Minister.
5. That the Corporation shall not lease or otherwise grant rights to any airport land for a period in excess of five (5) years duration without the prior written approval of the Minister.
6. That the Corporation shall prepare and submit to the Minister a plan of the airport to describe the location of all proposed buildings, runways, taxiways, aircraft parking areas, roads and car parks, and related works and structures on airport lands, and that the Corporation will strictly adhere to the plan, except with the written approval of the Minister.
7. That the Corporation shall at all times indemnify and save harmless the Minister, his agents, and employees, from and against any loss, damage, or injury and all actions, suits, proceedings, costs, charges, damages, expenses, claims or demands of any nature or kind arising out of or connected with the development, operation or maintenance of the airport.
8. That the Minister, his employees and agents may enter upon the airport to inspect the airport and facilities from time to time.
9. That, where the Minister has approved of financial assistance towards airport development work, the work will be performed to plans and specifications approved by the Minister and no contract will be awarded for the work without the prior written approval of the Minister.

10. That the Corporation shall maintain a separate record of all expenditures for which subsidy may be claimed, in such form and detail as the Minister may require and shall make such records, together with all supporting documents, available to the Minister for examination and audit upon request.
11. That the Corporation shall maintain a separate record of all revenues in such form and detail as the Minister may require and shall make such records, together with all supporting documents, available to the Minister for examination and audit upon request.
12. That any financial assistance for work agreed to by the Minister shall be paid from time to time as the work is completed and the final payment when satisfied the work has been completed in a good and workmanlike manner.
13. That it is understood and agreed by and between the parties hereto that the Minister's commitment and involvement extend only to the provision of financial assistance as may be set out in the Minister's letter of approval.

IN WITNESS WHEREOF the Minister of Transportation on behalf of the party of the First Part has hereunto set his hand and the party of the Second Part has affixed its corporate seal attested by the hands of its proper officers duly authorized in that behalf.

SIGNED AND SEALED this day of , A.D. 19 .

Minister of Transportation

